

# DAILY MARKETS OVERVIEW

23 JANUARY 2019

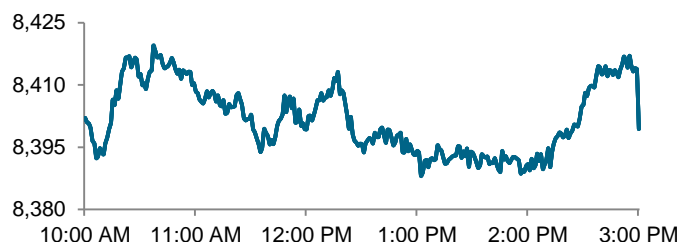
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



## TASI Intraday



Source: Reuters

## Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,399	0.0	-0.6	7.3	18.0
Saudi (NOMU)	2,811	-1.2	1.3	11.5	8.9
Energy	4,922	0.7	-0.3	1.5	18.4
Materials	5,514	-0.3	-1.1	5.0	16.8
Capital Goods	3,894	0.0	0.2	-0.2	22.3
Com. & Prof. Svc	4,381	-0.2	-0.6	5.9	18.7
Transportation	3,606	0.7	0.4	3.7	20.9
Cons. Durables & Apparel	3,653	0.1	0.2	-0.3	NA
Consumer Services	3,084	0.0	-0.3	4.6	NA
Media	10,518	1.5	0.1	3.3	NA
Retailing	6,844	0.1	-0.4	-0.3	32.7
Food & Staples Retailing	5,916	-0.7	-0.3	-0.5	24.1
Food & Beverages	4,221	-0.6	-4.1	8.6	NA
Health Care Equipment	3,744	-0.6	-1.0	-0.3	20.2
Pharma, Biotech & Life Science	3,826	-0.3	-0.9	-1.4	26.7
Banks	8,063	-0.1	-0.4	11.8	14.3
Diversified Financials	3,468	0.3	0.3	-0.3	NA
Insurance	4,254	-0.2	-0.6	1.9	NA
Telecommunication	5,971	1.5	2.5	10.5	19.5
Utilities	3,495	-0.2	-0.9	3.7	NA
REITs	3,614	0.0	0.0	-0.2	NA
Real Estate	3,163	0.2	-0.4	-1.9	23.5

Sources: Bloomberg, Reuters, Tadawul

## Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Alujain corp.	23.42	10.0%	168
Saudi Steel Pipe Co.	19.62	8.4%	39
Saudi Industrial Services Co.	11.54	3.8%	20
Arabian Pipes Co.	10.24	3.5%	40
Saudi Public Transport Co.	14.86	3.2%	22

Source: Tadawul

## Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
NCB	22-Jan	4Q18	2,647.0	3.5	0.88	NA
Saudi Arabia Fertilizers Co.	21-Jan	4Q18	568.5	809.5	1.36	MISS
Saudi Automotive Services Co.	21-Jan	4Q18	11.9	20.0	0.20	NA
Saudi Steel Pipe Co.	21-Jan	4Q18	-100.6	-743.1	-1.97	NA
Saudi Kayan Petrochemical Co.	21-Jan	4Q18	-110.9	49.7	-0.07	NA

Source: Tadawul

**NOTES:** (1) Prices as of last trade. Updated as of January 23, 2019

(2) WTD: Week to Date and YTD: Year to Date

## Saudi Market Update

- TASI closed flat at 8,399 while NOMU ended 1.2% lower at 2,811 on Tuesday. TASI traded value totaled SAR 2.6bn and averaged SAR 2.7bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 30.5% of the daily traded value.
- Banks and Materials declined 0.1% and 0.3%, respectively. Telecom ended 1.5% higher. Media and Telecom sector (both up 1.5%) were the best performers. Among stocks, Alujain corp. (2170/ALCO AB), Saudi Steel Pipe Co. (1320/SSP AB), and Saudi Industrial Services Co. (2190/SISCO AB) led the gainers.
- The General Authority for Statistics (GASTAT) revealed KSA's inflation rate was 2.2% Y/Y in December 2018. The cost of living index leveled up to 106.2 points in December, compared to 103.9 points in December 2017. (Source: Argaam)
- The Red Sea Development Company's Board approved the masterplan of the Red Sea Project. The first phase, set to be completed in 2022, includes 14 luxury hotels with over 3,000 rooms to be built over five islands, in addition to 2 resorts in the mountains and Sahara areas. (Source: Argaam)
- The Water and Electricity Co. (WEC)'s CEO revealed that Damman sanitation treatment station project would cost around SAR 850mn (USD 227mn). The project is expected to serve 900,000 clients for 25 years by using the latest water treatment technologies. (Source: Argaam)
- According to the Minister of Education, KSA would continue to offer free education in the new schools to be built under public private partnerships (PPP). (Source: Argaam)
- Saudi Aramco signed a memorandum of understanding (MoU) with Dubai Electricity & Water Authority (DEWA) to foster collaboration in power supply and demand management. (Source: Argaam)
- Repair works at National Petrochemical Co.'s (2002/PETROCH AB) (NATPET) plant in Yanbu are going according to plan, after the facility suffered a fire incident in October 2018. All production units are expected to be operational by the end of September 2019. (Source: Argaam)
- Dur Hospitality Co. (4010/DUR AB) signed a binding agreement to acquire 60% stake in Jeddah-based Shada Homes Co. for a value of SAR 61.2mn (USD 16.3mn). (Source: Argaam)

## Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Cable Co.	43.30	-3.1%	5
United International Transportation Co.	28.20	-2.4%	5
Saudi Chemical Co.	31.00	-1.9%	0
Mobile Telecommunications Co. Saudi Arabia	9.30	-1.9%	125
National Medical Care Co.	46.30	-1.7%	5

## Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	99.00	-0.5%	200
Saudi Basic Industries Corp.	121.00	-0.3%	171
Alujain corp.	23.42	10.0%	168
Mobile Telecommunications Co. Saudi Arabia	9.30	-1.9%	125
Alinma Bank	24.02	0.1%	121

Source: Tadawul

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## GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,494	-0.2	-0.9	-1.4	7.5
Abu Dhabi (ADX)	4,956	0.0	-0.6	0.8	13.3
Kuwait (KSE)	5,274	0.3	0.5	1.7	18.5
Qatar (QE)	10,687	-0.3	-0.9	3.8	15.7
Oman (MSM)	4,182	0.1	-1.3	-3.3	8.4
Bahrain (BSE)	1,352	0.2	0.8	1.1	8.8
DJMENA Index	583	0.0	1.2	4.8	NA

Source: Bloomberg, Reuters

## Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,633	-1.4	-1.4	5.0	17.9
US (NASDAQ 100)	7,020	-1.9	-1.9	5.8	20.7
UK (FTSE 100)	6,901	-1.0	-1.0	2.6	15.9
Germany (DAX)	11,090	-0.4	-1.0	5.0	12.2
France (CAC 40)	4,848	-0.4	-0.6	2.5	15.0
Russia (MICEX)	2,469	0.0	-0.2	4.2	5.3
Japan (Nikkei)	20,623	-0.5	-0.2	3.0	14.3
Hong Kong (HSI)	27,005	-0.7	-0.3	4.5	10.3
South Korea (KOSPI)	2,118	-0.3	-0.3	3.8	10.2
China (SHCOMP)	2,580	-1.2	-0.6	3.4	12.1
India (NIFTY)	10,923	-0.4	0.1	0.6	23.1
Brazil (IBOV)	95,103	-0.9	-1.0	8.2	21.2
Turkey (BIST 100)	99,677	1.8	1.2	9.2	7.0
Egypt (EGX30)	13,475	-0.7	-0.1	3.4	12.4
MSCI Emerging Markets	1,011	-0.8	-0.7	4.7	11.5
MSCI World	1,979	-1.1	-1.1	5.0	15.5

Source: Bloomberg, Reuters

## Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	61.5	-2.0	-1.9	14.3	-10.9
Natural Gas (\$/mmbtu)	3.0	-12.6	-12.6	3.4	-1.3
Gold (\$/oz)	1,285	0.7	0.2	0.2	-3.6
Silver (\$/oz)	15.3	0.5	0.0	-1.0	-9.8
Platinum (\$/oz)	791	-0.7	-0.8	-0.5	-20.6
Copper (\$/t)	5,904	-0.8	-2.1	-0.8	-16.0
Zinc (\$/t)	2,589	-0.3	-0.1	2.8	-24.7
Lead (\$/mt)	2,003	0.0	0.7	-0.3	-23.2
Wheat (\$/bu)	521	0.7	0.7	3.6	4.2
Corn (\$/bu)	379	-0.7	-0.7	1.1	-4.0
Sugar (\$/lb)	12.9	-0.8	-0.8	7.5	-11.7

Source: Bloomberg

## Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.77	0.00	-0.04	0.00
Saudi Arabia	2.97	0.00	0.00	0.20
UAE	2.87	-0.06	0.03	0.10
Kuwait	2.56	0.00	0.25	-0.21
Qatar	2.93	0.02	0.02	0.15
Bahrain	3.95	0.00	0.00	1.18

Source: Reuters

**NOTES:** (1) Prices updated as of January 23, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, \*Spread = US 3M Rate – Country 3M Rate

## GCC & Global Markets Update

- US markets ended in the red on Tuesday. S&P 500 and NASDAQ ended 1.4% and 1.9% lower, respectively. Dow Jones Industrial declined 1.2%. In Europe, UK declined 1.0%, while both Germany and France closed 0.4% lower.
- Asian markets are trading mixed on Wednesday. China is up 0.1%. Japan and South Korea are trading 0.1% and 0.4% higher, respectively. Hong Kong is up 0.1%, while India is trading flat in the morning session.
- GCC markets ended mixed on Tuesday. Dubai declined 0.2% while Abu Dhabi ended flat. Kuwait gained 0.3% while Qatar closed 0.3% lower. Oman and Bahrain ended 0.1% and 0.2% higher, respectively.
- US Existing Home Sales for December 2018 stood at 4.99mn (prior: 5.33mn; consensus: 5.225mn). (Source: Econoday)
- Kuwait unveiled budget proposals that forecast a slightly smaller deficit, despite higher spending. The deficit for FY20 is forecasted at KWD 7.7bn (USD 25.4bn), 2.1% below the current year's estimate. (Source: Arabian Business)
- Kuwait Finance House and Bahrain's Ahli United Bank's boards are to meet this week to consider valuation reports on a potential merger, a deal that would create the Gulf's sixth-biggest lender with USD 92bn (KWD 34.7bn) in assets. (Source: Arabian Business)
- The UAE's Cabinet revealed that the issuance of long-term-residence permits for investors, outstanding students, foreign nationals with exceptional talents, and similarly situated foreign nationals would begin on February 3. (Source: Trade Arabia)
- Kuwait's Supreme Council for Planning and Development (SCPD) revealed that work is progressing as per schedule on the new Al Adan Hospital in Kuwait, being developed at an investment of KWD 232mn (USD 766mn), with nearly 40% construction completed. (Source: Trade Arabia)
- Dubai's Emaar Properties (EMAAR UH) stated it progressed significantly in the construction of five new retail link bridges that would further strengthen road connectivity to The Dubai Mall. (Source: Arabian Business)
- Chinese tire manufacturer Roadbot stated the firm is setting up a plant in Abu Dhabi with an investment of AED 2.2bn (USD 614mn). The plant is being built at the China-UAE Industrial Capacity Cooperation Demonstration Zone within the Khalifa Industrial Zone Abu Dhabi (Kizad). (Source: Zawya)
- UAE-based SirajPower signed a commercial lease agreement with Hepworth to expand SirajPower's operations in Abu Dhabi. Under the new partnership, SirajPower would install, finance and operate 1.16 MWp PV systems at two Hepworth facilities in Abu Dhabi, under a 20-year leasing scheme. (Source: Trade Arabia)

## Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended January 18 (prior: -2.7mn barrels) will be announced tomorrow. (Source: Econoday)
- US jobless claims for the week ended January 19 (prior: 213K; consensus: 217K) will be announced tomorrow. (Source: Econoday)
- Change in Japan's Industrial Production for December 2018 (prior: -1.1% M/M, 1.4% Y/Y) will be announced on January 30. (Source: Econoday)



## Contacts

### RESEARCH & ADVISORY

[Research&Advisory@FransiCapital.com.sa](mailto:Research&Advisory@FransiCapital.com.sa)

### SAUDI FRANSI CAPITAL

#### Call Centre

800-125-9999

#### Website

[www.sfc.sa](http://www.sfc.sa)

### SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

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C.R. 1010231217 - Paid Up Capital 500,000,000 S.R.

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

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